

LITHUANIAN POLITICAL SCIENCE ASSOCIATION

Implementation of public policy in Lithuania: analysis of the “missing link”

Summary

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Introduction

Attention to the appropriate implementation of public policy is not a new subject for the Western democracies. The focus on the creation of conditions for successful implementation of public policies became evident during the course of 1970s in the USA, and later in Western Europe. Before then most political scientist focused their attention on the policy making and policy content, leaving the implementation of decisions made aside, usually treating the implementation process as a matter of a technical-administrative nature. Interest in this “missing link” of policy process came from the dissatisfaction with such a state of policy analysis and acknowledgement, that policy making and decisions taken do not by themselves guarantee their appropriate implementation and that it is often in the stage of implementation that different obstacles arise which prevent from achieving the initial goals.

During the last several decades, many scholarly works have focused their attention on defining the criteria for successful implementation of policy, singling out the main variables influencing the process of implementation and their relative significance. One of the main issues addressed in many of these studies is observation that in many cases the actual results of policy implementation does not meet the initial expectations, also what factors account for the mismatch between initial goals and actual results. For example, one of the pioneering studies of policy implementation produced by Pressman and Wildavsky departed from the dissatisfaction by the results of decisions made in the US federal institutions being implemented on the state level. Later similar issues have been analyzed in the context of other democratic political system, including the problems of policy implementation in the multi-level system of European Union, in particular the factors accounting for inappropriate (for example, delayed) implementation of EU legislation by the member states.

In Lithuania and other Central and Eastern European countries studies of public policies are a relatively new and evolving discipline. Therefore, it is quite understandable that studies of policy implementation are still quite rare. One could even notice certain parallels in the development of political analysis in Lithuania and several decades of evolving debates in the Western academia with shifting attention from the policy making stage to the implementation stage, and more elaborate analysis of particular aspects such as the role of external factors like the EU, its impact on administrative adaptation, Europeanization and other issues.

This study is based on the hypothesis that many problems of public policies in Lithuania originate from the inappropriate implementation of policy decisions. Policy implementation has so far been ignored by policy makers and analysts alike. In Lithuania, most attention is directed towards decision making, motivations and factors behind the decisions and their content. However, it is often forgotten that the problem which is targeted by the policy decision will not be solved if the decision is not implemented correctly; also the process of learning and capacity building will not take place if evaluation of the results and the feedback is not ensured.

As a result of too much emphasis on the policy making stage and insufficient focus on their implementation there is a process of “legal inflation” taking place in Lithuania when new legal norms are adopted or previous ones amended in order to attract voters attention or focus on the problems of secondary importance. Moreover, the political

agenda is overcrowded partly due to the rapid process of transposing EU legal norms (*acquis communautaire*). At the same time, the real problems of the society remain unresolved, because too little attention is given to the appropriate institutional structure of policy implementation, in particular coordination and accountability of public institutions, incentives and motivation, agreement between the main actors. Policy implementation often becomes a “missing link” between the policy making and evaluation of the results. Due to the presence of this “missing link” not only the actual public issues are not addressed, but the society is increasingly skeptical and mistrustful of public institutions.

The authors of the study have collected and analyzed material on policy implementation in democratic political systems in general, and in Lithuania as well as the EU in particular. The study discusses general problems of policy implementation in Lithuania as well as four case studies of implementing concrete policy decisions: regulation of fixed network services, land reform, Sunrise initiative and decommissioning of the Ignalina nuclear power plant.

The case studies have been selected on the basis of several factors – their place on the political agenda and public attention, the presence of failures in the process of policy implementation, variety of public policy fields, connections with the process of integration into the EU and the presence of EU pressure, the potential to generalize conclusions and policy recommendations. It should be noted, that although the process of decommissioning of Ignalina nuclear power plant has just started and will continue for several decades, the case has been chosen mainly because it can illustrate how the variables present during the stage of policy making such as a need to ensure the broad agreement among the main actors on the nature of the problem and its solution can later influence its implementation.

It should also be noted that selected case studies are biased towards the practice of bad policy implementation. This bias is not accidental; identifying the problems of policy implementation is one of the main reasons for selecting these cases. This should also provide the basis for presenting the policy recommendations which could be applied to other cases of inappropriate policy implementation (such as education, health care or pension system reforms).

The text below presents the model used in the analysis, the variables which are discussed and which explain the peculiarities of policy implementation and the main conclusions of the study.

Framework of policy implementation analysis

Policy implementation studies are frequently based on the assumption that a public policy can be disaggregated into various constituent stages. Even though this assumption may be problematic, as different stages of public policy may overlap in practice, this assumption is essential in this study of policy implementation for methodological purposes in order to determine features and conditions of different public policy stages.

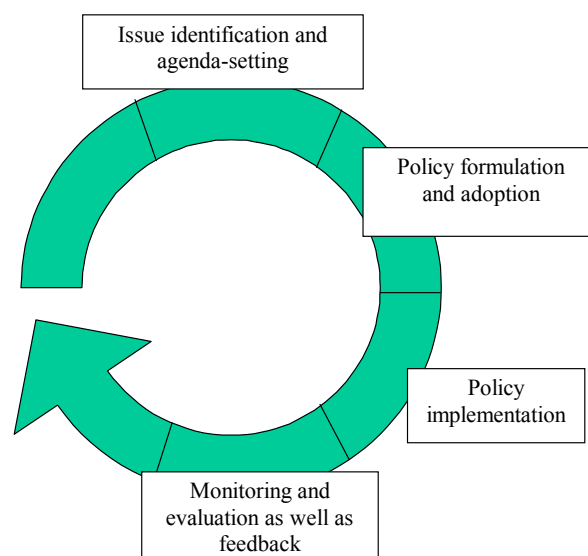
In this study the public policy is divided into four broad stages:

1. *Issue identification and agenda-setting* – in this stage issues and problems are identified and included in the agenda. Agenda is defined as a list of issues and problems to which the government is paying attention at some point of time, agenda-setting is the process of narrowing this list of questions.

2. *Policy formulation and decision making or policy adoption* – this stage consists of two steps: policy formulation, when proposals are developed to solve problems on the agenda, and policy adoption, when responsible institutions adopt these proposals. During this stage objectives, measures, sources of finance and other features of public policies are defined together with the framework of policy implementation.

3. *Policy implementation* – this stage starts after a public policy decision is adopted and aims at achieving its objectives during a particular period of time. It is useful to draw a distinction between the implementation of political and administrative decisions.

4. *Policy monitoring and evaluation as well as feedback* – this stage involves monitoring of public policy and evaluation of its outputs and effects. In addition, feedback allows to translate lessons learned during the policy implementation into the improvement of public policy.



In this paper policy implementation is defined as actions by public or private actors (or their groups) aimed at achieving objectives adopted. In other words, each policy is a hypothesis concerning the initial conditions and outputs, whereas *implementation is the process of interaction between objectives and actions implementing them* (Pressman, Wildavsky).

It is obvious that the success of policy implementation should be assessed on the basis of particular criteria. This study employs *effectiveness* – the extent to which expectations have been justified or initial objectives have been achieved – *as the main criterion of successful policy implementation* (the top-down approach). However, the unsatisfied nature of policy's beneficiaries may also indicate unsuccessful policy implementation (the bottom-up approach). In addition, efficiency – or the relationship

between results achieved and resources consumed – can be applied as a criterion to determine successful policy implementation, but the main emphasis is laid on effectiveness on this study.

It is assumed in this paper that successful policy implementation depends on two main factors - the capacity and willingness of policy actors to adopt and implement adopted decisions. These factors can be further divided into more detailed conditions affecting both the capacity and willingness to implement adopted decisions. For instance, clearly defined accountability for the achievement of objectives improves the willingness, whereas clear objectives and functions, sufficient resources and other factors improve the implementation capacity.

In relation to stages of the public policy process outlined above, conditions of successful policy implementation can be divided into two main sets – conditions related to the stages of agenda-setting and in particular policy implementation as well as conditions related to policy implementation and monitoring/evaluation. It is assumed that the first two stages of the public policy process affect policy implementation in a significant way.

The main factors necessary for effective policy implementation and linked to the initial policy decision are as follows:

1. clear and consistent objectives, expected results and priorities shared by main actors of the policy process;
2. adequate causal theory linking objectives with measures of policy implementation. This theory may depend on social, economic and cultural environment as well as prevailing ideology;
3. legal-institutional structure of implementation, co-ordination and monitoring/accountability, taking into consideration learning opportunities and feedback.

In addition, a number of factors necessary for effective implementation and linked to the implementation stage define the capacity and willingness of policy implementation:

1. resources at the disposal of implementing agencies (money, time, qualification and skills, the application of strategic planning and other measures contributing to effectiveness);
2. support or resistance from interest groups, society, media, implementing institutions and other actors. Support/resistance may in turn depend on the distribution of resources, relevant behavioral changes (adaptation pressure) and prevailing ideas (policy paradigms) held by interest groups;
3. changes in social, economic and political context affecting opportunities to implement decisions adopted earlier.

In short, one can expect that policy implementation will be successful provided that these conditions are met in practice. Although the importance of some conditions is widely understood (in particular, resources of implementing agencies), the study addresses conditions for effective implementation (in particular, institutional set-up of policy implementation) that are often neglected in Lithuania.

Provision of fixed network services

Regulation of fixed network services in Lithuania was unsuccessful until the middle of 2002. Most conditions necessary for effective policy implementation were not satisfied:

Clear objectives and priorities: there were no clear objectives of telecommunications policy, therefore, commitments of the Lithuanian telecom stated in its license can be regarded as causes justifying the telecom's exclusive rights to supply fixed network services. To receive more revenue from the telecom's privatization, the Lithuanian government awarded very favorable conditions to the company (relatively long period of exclusive monopoly rights, right to increase tariffs by 10 per cent and rate of annual inflation, etc.). Finally, no adequate regulation structure was established before the telecom's privatization in order to protect consumers' rights from the possible abuse of monopoly powers.

Adequate causal theory: to achieve implicit goals of telecommunications policy, the government opted for the theory of exclusive rights to supply fixed network services rather than the theory of market competition. In addition, measures of regulation were not applied adequately due to legal inconsistencies (e.g. marginal prices of fixed network services revoked by the Kubilius government were not consistent with relevant provisions of the telecom's license) or the absence of legal definitions (e.g. the telecommunications legislation provided no clear definition of internet telephony).

Institutional structure of policy implementation: performance of the Ministry of Communications in the area of regulation was not successful due to many reasons (insufficient independence from the government, participation in the telecom's board, insufficient resources, etc.). After the establishment of the Communication Regulation Service (CRS) co-ordination between the Ministry of Communications and the CRS was not effective (e.g. regulating institutions did not agree on the re-negotiation of "price caps" as well as the introduction of connection tax) partly due to the unclear and inconsistent distribution of functions between regulating institutions. Performance of the Competition Council was only effective with regard to competition control, the exercise of price control was not effective because of favorable conditions set out in the telecom's license as well as inconsistent position of the government with regard to the application of marginal prices for fixed network services.

Resources: the CRS did not start its activities until August, 2001. However, staff of the CRS did not have relevant qualifications and experience as well as necessary equipment in particular in the area of non-radio services. Therefore, the CRS was not able to perform its functions in an effective way (e.g. there delay in adopting rules with regard to the common use of telecommunication infrastructure).

Support/resistance from interest groups: various interest groups applied their pressure on regulatory institutions by different means. After the telecom's decision to increase tariffs consumers and organizations representing their interests started to protect their interests more intensively. However, more pressure originated from telecommunication companies during the policy-making and implementation stages. For instance, during the policy implementation companies' complaints allowed the

CFS and the Competition Council adopt significant regulatory decisions. However, disagreements among telecommunication companies during the policy-making stage did not allow the government and parliament to define the legal status of internet telephony.

Changes in the environment: limited revenues of consumers prevented the telecom from further increases of tariffs (social factor); opposition forces took advantage of market regulation deficiencies and the telecom's abuse of monopoly powers (political factors); due to fast technological progress regulation of telecommunications was lagging behind the current situation (technological factor). Finally, Lithuania's accession to the EU generated very positive pressure on telecommunications' regulation – the European Commission recommended the government to establish an independent regulator (political factor); a new set of EC telecommunication directives with a stronger emphasis of market competition provided an ideological background for market liberalization in Lithuania (ideological factor). However, the insistence of the European Commission on the adoption of an old framework of telecommunications regulation by Lithuania before applying a new package of EU telecommunication directives is likely to have a negative impact on the stability of legal environment and complicate the achievement of objectives of regulatory policy.

The case of land reform

The land reform, which lasts for more than a decade, has been short of achieving its objectives (for example, lagging behind the schedule) for the following reasons:

Clear objectives and priorities: although there has been an agreement among the main political actors concerning the main general goals of the reform – to restore the rights of citizens to their property and to create conditions for the development of agriculture, their positions on the priorities and concrete measures differed. Different ruling parties were giving priorities to the different groups of society (previous owners or current tenants) during the course of the restitution of property rights. Therefore, with changes in government, the reform measures were constantly altered, sometimes even halting the reform for half a year (as it was done after elections in 1996). The final date of accepting the requests for the restitution has been postponed many times, the object of the reform was altered as were the conditions of compensation. These constant changes created uncertainty and slowed down the reform process. In 2001, the restitution of rights to the land has been estimated at reaching the progress of 79 percent, the conditions for the competitive agriculture have not been created yet.

Adequate causal theory: in this case the main causal link is the adequacy of measures undertaken to their objectives – restitution of property rights and conditions for the development of agriculture. Although the reform of such a scale is influenced by many important factors, and therefore mistakes are difficult to avoid, it could be maintained, that the main measures showing the inappropriate understanding of causal relations were very limited size of land given back to the owners, limits on the use of land, late removal of restrictions for foreigners to buy land (and still existing barriers for foreigners and legal entities to acquire agricultural land). Besides, only in 1997 the conditions for private companies to undertake the work land measuring were created. It is very likely, that the application of these restrictions have weakened the incentives

for more efficient agricultural activities and thereby complicated the achievement of reform objectives.

Institutional structure of policy implementation: the implementation of land reform depend on many institutions. First, it was implemented by Agrarian reform services and regional privatization commissions, with the participation of regional councils, State land institute, Ministry of Agriculture. The division of functions was not clear and consistent. Later the first two institutions have been reformed, the responsibility for the land reform have been given to the county administrators, the control was exercised by the Ministry of Agriculture, with its internal structure being reformed.

In addition, the legal basis of the reform has been complicated. In order for the main law on Land reform and the Law on restitution of property rights to be applied properly, a number of other legal changes had to be made. According to their legal status: a) the Article 47 of the Constitution restricting the sale of land to foreigners and legal entities had to be amended; b) the Law of land and the Law of land rent had to be adopted; c) the government had to issue decrees on the rules of compensation, their terms, the institutional structure and responsibilities of land measuring, etc., d) Minister of Agriculture had to order the implementing institutions to prepare necessary documents; the county administrators had to determine the schedule of measuring works, approve the projects, provide information on land available, etc., e) the rules on keeping the files, use of documents and other rules had to be prepared. Thus, many the implementation of the reform depending on the coordination and work of many institutions including the Parliament, the Government, Ministries, county administrations. This complicated structure of institutional coordination as well as frequent legal changes following changes in the government further complicated and slowed down the reform.

Resources: in the case of land reform, it is not only the resources of implementing institutions – financing and qualifications of personnel - which are important, but also funds allocated for the compensation. It is the latter category of funds which has been constantly lacking. For example, in 1998 instead of planned 50 million litas, the state budgetary allocations equaled only 30,8 million litas, in 1999 instead of planned 100 million litas only 27,3 million litas were allocated from the budget, (later additional 30 million were provided). In 2000, 27 million litas were allocated, in 2001 it amounted to only 15 million litas. If we take into account that the sums allocated had to cover commitments made in previous years, it could be stated that the lack of financial resources proved to be a significant barrier for the effective implementation of land reforms. Currently, about 1,2 billion litas is still needed for the compensation of property. Although initially Lithuanian authorities committed themselves to the European Commission to disburse this money by 2006, later this deadline has been postponed for 2009.

Support/resistance from interest groups: the main interest groups supported the overall objectives of the reforms, but had diverging opinions concerning the priorities. Land owners union claimed that priority should be given to the former owners and those who inherited their rights. These claims were supported by the Conservative Party, which have been altering the reform process accordingly after coming to power. Although the tenants have not been so well organized, other parties, in particular, left wing parties, for example, Lithuanian Democratic Labor Party, later

Socialdemocrats, gave priority to their interests. However, the analysis illustrates relatively minor impact of the interest groups on the implementation of land reform. However, their influence might increase, although it will be based on the different cleavage. Those interest groups, mainly some farmers, who oppose the removal of barriers to sales of land to foreigners, could influence further progress of land reform and other related policy goals (such as EU accession).

Changes in the environment: Land reform has been in particular vulnerable to political changes. Almost every new government has been altering the rules, institutional structure and priorities of land reform. This has been slowing down the reform and created the atmosphere of uncertainty. At the same time, frequent changes in institutional and legal framework reduced the transparency of the process and accountability of implementing institutions, thereby creating conditions for corruption and abuse (some facts of which have been revealed recently). Changes in economic environment have also complicated the reform. For example, after the economic crisis in Russia in 1998, the worsening budgetary situation complicated the reform by limiting possibilities for compensations.

It should be noted, that with the membership negotiations approaching, European Commission has been exercising and increasing indirect pressure on the implementation of land reform through critical evaluations in the annual progress reports. For example, it was due to Commission's pressure that the Parliament in 1999 adopted the resolution committing itself to complete the process of restitution by 2001. The implementation of land reform until October 2000 was announced to be a national priority. However, despite EU pressure, those commitments were not fulfilled because of the factors discussed before. Moreover, the EU pressure was only indirect because this area falls into the broad category of "functioning market economy" criteria and is not regulated by the EU acquis (except for the cases when it discriminates against EU member states' residents).

Performance of the Sunrise commission

The advisory Sunrise commission was established in 2000 to improve business conditions. The commission was very productive – it prepared about 200 sets of proposals in the first two years of its operation. However, more than 50 per cent of proposals were not implemented due to various reasons. Since implementation of the commission's proposals is the responsibility of the government, it indicates policy implementation failures by the government.

Clear/consistent objectives and priorities: the purpose of the Sunrise commission was to improve business conditions and remove unnecessary market restrictions. However, in practice ministries and other public administration institutions also followed other goals, some of them clearly contradicting the purpose of the Sunrise commission. Therefore, ministries and other institutions did not include measures aimed at improving business conditions in their action plans or even proposed measures exacerbating unfavorable business conditions. Also, very frequently priority was attached not to the improvement of business conditions, but to increasing budget revenues or higher control of business activities.

Adequate causal theory: the commission and the government did not share common principles and values. To improve consistency of efforts, a proposal with regard to principal provisions of the Sunrise commission was prepared. However, it was not implemented. Sometimes the commission formulated proposals without specification of goals and outputs sought or in the absence of research on business conditions business representatives could not always provide clear proposals how to improve business conditions.

Institutional structure of implementation: the advisory commission did not have sufficient authority. However, one of the main reasons of unsuccessful implementation was deficiencies in the multi-level institutional structure of implementation. In particular it is necessary to emphasize long process of co-ordination among interested parties. Moreover, accountability for the implementation of proposals was not sufficient, because ministries and other public administration institutions were not obliged to report to the Sunrise commission on the implementation of various proposals in the first two years of its operation.

Resources: institutions implementing proposals of the commission did not have sufficient resources, including financial resources to implement proposals requiring additional public expenditure. However, it must be noted that apart from financial resources such factors as insufficient number of civil servants or unstable nature of the civil service limited the effective implementation of the commission's proposals.

Support/resistance from interest groups: sometimes interest groups did not agree on means to improve business conditions, e.g. trade unions objected proposals concerning the liberalization of Lithuania's labor market, whereas efforts of some groups were directed at exposing their competitors' 'unfair and better' conditions rather than improving general business environment. Also, frequently there was no support for improving business conditions from officials in institutions implementing proposals of the Sunrise commission – sometimes implementation was the responsibility of officials who earlier carried out measures exacerbating business conditions.

Changes in the environment: although the Sunrise commission was partly established as a result of changes in the economic and political environment following Russia's economic crisis, frequent changes of the government affected performance of the Sunrise commission in a negative way. After every government's change the commission's activities stopped until its composition and operating procedures were renewed by a new government in office. Implementation of many proposals (e.g. liberalization of import licenses or changes in the certification system) is directly linked to Lithuania's obligations vis-à-vis the EU or the WTO.

The case of decommissioning Ignalina nuclear power plant

Decommissioning of the Ignalina nuclear power plant (INPP) is not a typical case of policy implementation, because it is not implemented at the moment of writing and its implementation is likely to take place at least several decades. However, despite this seemingly premature analysis there are several reasons for choosing this case study.

First, the analysis in this study is based on the assumption that what is happening during the stage of policy making can have an essential impact on the implementation process. The case of decommissioning INPP illustrates in particular how important the stage of decision making is and ensuring the agreement among the main actors on the objectives and measures of policy. As the analysis of this case illustrates, disagreements among the main political actors on the degree of insecurity of the INPP and the schedules of closing down its two reactors can create difficulties for the appropriate implementation of the decisions even before these decisions are made. The presence of disagreements concerning the need and the terms of decommissioning the INPP provides the basis to predict difficulties during the stage of implementation.

Second, the case of decommissioning the INPP is illustrative of the development of Lithuania's relations with the EU. This issue is among the most important ones on the agenda of Lithuania's accession into the EU and has a big symbolic meaning in the domestic politics of the country. Besides, negotiations between Lithuania and the EU on the issues of INPP provide important insights on negotiations on the accession as well as predictions on the bargaining dynamics after the EU enlargement. It is likely that the asymmetries of bargaining power between the EU and Lithuania will remain after the accession. This is going to have an impact on the implementation of decision made in the EU with the participation of Lithuanian representatives. When the decisions are made under the conditions of disagreement it is very likely that the disagreements will be shifted towards the process of implementation during which dissatisfied interest groups will attempt at distorting the implementation to meet their own interests.

It is possible to predict now how the factors present during the process of policy making are going to impact on the process of decommissioning the INPP in the future.

Clear/consistent objectives and priorities: one of the most important features of the decision making on the decommissioning of the INPP is a clear disagreement among the policy actors concerning the decisions made and the interpretation of the commitments.

Adequate causal theory: the agreement on the terms of decommissioning the INPP depends directly on the estimates of the degree of insecurity of the power plant and the estimates of the impact of its closure. On both issues there is no clear agreement between the main political actors and interest groups. In other words, the causal theory on which the need to decommission the INPP is based (insufficient degree of security) is constantly questioned, the alternative scenarios are often being suggested and debated. Debates are taking place on the length of functioning of the INPP, the possibilities to improve its security and more specific issues such as the length of using the cartridges of fuel. Often debates on INPP are framed as debates on the future of nuclear energy in Lithuania. Although many experts during the course of the decade have been evaluating the security of the INPP, no unanimous agreement concerning its security has been reached. It should be noted that supporters of both earlier and later closure of the INPP are appealing to the "technical-scientific" arguments.

Institutional structure of implementation: several features of the institutional structure of decommissioning the INPP make its implementation more complicated. They include the multilevel structure of coordinating the actions between regional, national and international actors, different sources of funding and complicated structure of accountability.

Taking into account that only the first measures for the preparation of decommissioning the first reactor of the INPP (although already behind the schedule) are made, it is too early to evaluate the impact of resources, interest groups and changes in environment on the implementation of the process. However, some forecasts could be made.

First, financial and expert resources are necessary for the decommissioning of the INPP (time in this case is a fixed factor, although Lithuanian government is linking the dates of closing down the INPP with the amount of the financial support from the EU). However, it is most likely that the exact amount of resources will be determined during the course of the negotiations and it is likely that enough resources will be committed. The broader impact of decommissioning the INPP will depend on the creation of conditions for the entry of new electricity producers and suppliers, in particular the linking of Lithuanian energy system with a larger energy market (first Baltic, and later West European or Nordic electricity exchange).

Second, even before the decision on decommissioning the second reactor of the INPP was made, the groups opposing this decision have become evident. These include interest groups directly related to the functioning of the INPP (its employees, schools preparing the nuclear energy specialists, etc.), which are going to experience a negative effects. A number of policy actors have been exploiting this issue to attract the attention of voters, in particular with the presidential elections campaign approaching. The resistance to the closure of the second reactor on the term suggested by the EU arises from both strategic calculations of domestic political actors as well as their convictions concerning the “true” arguments. Since it is very likely that the EU is not going to change its position, it is possible that the groups dissatisfied with the decision will attempt to influence the process during the course of implementation or demand certain concessions.

Third, although the process of decommissioning the INPP could be altered by changing economic conditions, the most important are likely to be changes in political environment. On the one hand, the accession of Lithuania into the EU will reduce the pressure of the Union because the main instrument of the pressure – the accession into the EU – will be lost. This might reduce the incentives for the appropriate implementation. It should be noted, though, that the EU will retain such instruments of pressure as financial support or shaming. On the other hand, in the case of the negative outcome of referendum on EU membership in Lithuania might also initiate the review of the process and alter the process of decommissioning the INPP. However, the EU would preserve such powerful instruments as the perspectives of EU accession and financial support to soften the negative impact of the decommissioning.

General conclusions

1. Complications during the implementation of policy decisions are common to all democratic systems. Lithuania is not an exception in this sense. However, it could be stated that implementation of decisions becomes the most complicated stage of policy process in Lithuania due to several reasons: (1) the inherited legacy of the previous political system, where most public issues used to be addressed in a formal-legalistic manner, by adopting new laws or establishing new commissions rather than focusing on the outputs and policy results; (2) the scale and pace of transition reforms and accelerating integration into the EU, which resulted in the emphasis being placed on the policy making rather than implementation; (3) changes in economic and legal environment (such as the impact of economic crisis in Russia in 1998, or relatively frequent changes in government).
2. Difficulties of implementing policy decisions can be “programmed” already by the factors present at the decision making stage. For example, the case of Lithuanian telecom regulation shows that implementation of regulatory framework was unsuccessful because of the provisions of the licenses (policy goals), providing the monopoly rights instead of conditions for competition (causal theory) and delayed establishment of the Communications regulatory institution (institutional structure of policy implementation). For the similar reasons – lack of agreement concerning the causal theory and policy goals as well as complicated institutional structure – the decommissioning of the INPP could also face difficulties.
3. Most often failures of policy implementation are explained by the lack of resources (financial or expertise). For example, European Commission in its regular reports on the progress of candidate countries focuses mainly on the budget, number of staff and their qualifications when assessing the implementation of the *acquis*. The analysis of this study provides basis to conclude that although resources are important, the impact of the other factors could even be more significant. In particular, too little attention has been given so far to the institutional structure of policy implementation. The impact of this factor has been observed during all the four case studies. The more complicated and unstable is the institutional structure of policy implementation, the more important are the mechanisms of control and accountability, which are often ignored in the public administration in Lithuania.
4. Institutional structure acquires particular importance in cases when such a causal theory is chosen which provides significant role for the public institutions. This is illustrated by the case of Lithuanian telecom regulation when instead of providing conditions for competition among private companies, the government opted for granting the temporary monopoly rights of the foreign buyer in order to maximize income from privatization. In such a case, the appropriate regulatory institutional structure becomes especially important (the clear divisions of functions, the stability and transparency of policies, independence and accountability of regulatory institutions). One of

the reasons of unsuccessful Sunrise initiative is the failure to ensure that the goals of this initiative (reduction of barriers to business) are followed when adopting other legal norms not related directly with this initiative.

5. Often important negative role is played by the inability of the main political actors to reach the agreement concerning the policy goals. For example, in the case of the Sunrise commission several competing goals could be observed. The contradictory signals from the government to the implementing institutions for, on the one hand, the need to collect more budgetary receipts and tightening the administrative control of business, and, on the other hand, to liberalize business conditions, significantly complicated the process of implementation. Similar difficulties can be forecasted in the case of decommissioning the INPP. During the course of the land reform, when governments changed, the policy priorities have been changing as well.
6. In Lithuania like in other Central and Eastern European countries resources, in particular financial and expert, are an important precondition for the appropriate policy implementation. The factor of time should be noted in this context as it is in particular scarce resource in the process of preparation for the EU membership being part of the competing candidate country group (although at the same time, the accession into the EU also plays a role of an additional motivating and monitoring factor). However, one should not overestimate the importance of the resource – there is always a lack of them. What is important, is how to minimize the negative impact of other factors under the conditions of scarce resources.
7. During the last decade the role of the interest groups have been changing. Their impact on policy making as well as policy implementation was weakened initially by the transition reforms. However, in recent years with increasing capacity to organize and with the channels of influence being stabilized, the impact of interest groups has been increasing. In cases when the interest groups can not influence the decisions being made or remain unhappy with their content, their pressure on the implementing institutions and resulting distortions of policy are very likely. This can be said about the future decommissioning of the INPP which, in the absence of constant control and monitoring on the highest political level, could be delayed or distorted in some other way by the interest groups
8. The resistance of the interest groups and implementing institutions (the latter often being the case when their own functions and resources are being reformed) could be minimized with the appropriate institutional structure of policy implementation. The mechanisms of accountability, transparent and simple coordination structure are particularly important in this context. The more complicated, non-transparent and poorly accountable institutional structure is created, more opportunities there are for the narrow interest groups to distort the process of implementation. However, it should be said that in some cases the role of the interest groups could also be positive. For example, as the case of Lithuanian telecom regulation shows, interest groups can act as the channel of information and triggers of legal cases.

9. In some cases, changing policy environment can also delay and otherwise distort effective policy implementation. These changes can in particular harm the sustainability of implementation results. Frequent changes of government has been the most important negative factor in this respect. The negative impact of political changes can be reduced somewhat by the appropriate institutional structure. However, often changes in government also bring changes in the institutional structures of policy implementation. This happened more than once during the process of the land reform and during the activities of the Sunrise commission.
10. Lithuania's membership in the EU will strengthen the importance of the implementation stage of policy process. The responsibility for the decisions made by the EU institutions will rest with the member states' institutions. In cases of implementation failures such sanctions as shaming or financial fines could be applied by the EU. Currently, the ability to manage the accession process and postpone the accession is the main sanction that could be used by the EU. This sanction played an important role in the policy implementation in Lithuania from an indirect pressure in the case of land reform to a more direct import of regulatory model in the case of Lithuanian telecom regulation to a direct pressure in the case of decommissioning the INPP. However, although the EU factor increases the stability of policy process and the implementation in particular, it does not guarantee the success of implementation. Often the EU suggests only policy guidelines, and not concrete legal-institutional framework. Moreover, some policy measures suggested by the EU could be inappropriate for Lithuanian at the current stage of economic development or could be distorted during the process of implementation because of other factors (interest groups or inappropriate institutional structure).
11. Although the EU impacts on many public policies in Lithuania, its impact has been quite diverse. In the fields of exceptional or shared competencies the EU has been having a positive effects on policy implementation not only on the sectoral policy basis, but also horizontally by supporting the introduction of auditing procedures, strategic planning and increase in qualification of the staff). It also strengthens the procedures of accountability and closer monitoring of implementation record (although usually focusing on the immediate results rather than long term impact).
12. The implementation of the reform measures in the policy fields, where EU competencies are only complementing those of the member states (such as health care, social protection, education etc.) has been slower than average. The lack of the EU pressure can be one of the factors which explain the lack of progress in these fields. However, other possibility – that less resources are left for these important areas because most of them have been mobilized for the preaccession and accession measures – should not be discounted. Besides, as it was said, because of the differences in the level of economic development between the EU and Lithuania, the implementation of some *acquis* might suffer from the inappropriate causal theory choice or could be distorted by other factors.

13. Membership in the EU can make the process of implementation more complicated because the number of chains in the institutional structure will increase, while the domestic interest groups which are not able to lobby in Brussels will most likely attempt to influence the process of implementation. On the other hand, more elaborate mechanisms of monitoring and accountability (although to some extent depending on the legal activism of companies and citizens) can reinforce the incentives for the appropriate implementation of policy decisions taken at the EU level.